


Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: March 26, 2013

SUBJECT: Fiscal Impact Statement – “District of Columbia Fire and Casualty Amendment Act of 2013”

REFERENCE: Bill 20-31 – Committee Print, shared with the Office of Revenue Analysis on March 22, 2013

Conclusion

Funds are sufficient in the FY 2014 through FY 2017 budget and financial plan to implement the bill.

Background

The bill requires companies that sell or negotiate homeowner’s or renter’s insurance in the District to provide applicants two written notices – one that states that a standard homeowner’s or renter’s insurance policy does not cover losses from flood, and a second that states that a standard insurance policy does not cover losses from sewer line backup. These notices must be provided before the applicant enters into or renews a policy.

Financial Plan Impact

Funds are sufficient in the FY 2014 through FY 2017 budget and financial plan to implement the bill. The costs of implementing this bill will fall entirely on the industry, since there are no provisions for compliance monitoring by District agencies.